

VZCZCXRO3764
RR RUEHIK RUEHPOD RUEHYG
DE RUEHLE #0137/01 1471154
ZNR UUUUU ZZH
R 271154Z MAY 09
FM AMEMBASSY LUXEMBOURG
TO RUEHC/SECSTATE WASHDC 6611
INFO RUEHZG/NATO EU COLLECTIVE

UNCLAS SECTION 01 OF 04 LUXEMBOURG 000137

SIPDIS

E.O. 12958: N/A

TAGS: [PGOV](#) [PINR](#) [ECON](#) [PREL](#) [LU](#)

SUBJECT: JUNE 7 ELECTIONS: LUXEMBOURG'S LEADING POLITICIANS

REF: A. LUXEMBOURG 128

[1](#)B. 08 LUXEMBOURG 3

[1](#)1. Opinion polls show that Luxembourg's coalition government will be retained in the June 7 national elections (ref a). The dominant member of the coalition is the Christian Social People's Party (CSV), led by veteran political powerhouse and current Prime Minister Jean-Claude Juncker. The junior partner in the sometimes awkward coalition is the Luxembourg Socialist Workers Party (LSAP), led by Deputy Prime Minister and Foreign Minister Jean Asselborn. The Democratic Party (DP), Alternative Democratic Reform Party (ADR), and the Green Party all have seats in the Parliament but not in the Cabinet. Following is a review of the key players in each of the major parties.

CHRISTIAN SOCIAL PEOPLE'S PARTY (CSV) - LARGE AND IN CHARGE

[1](#)2. The Prime Minister: Jean-Claude Juncker, 56, has been Prime Minister since 1995 and Minister of Finance since 1989. Juncker is the longest-serving head of government in the European Union and was recently elected to a third term as head of the Eurogroup (the 16-member club of all European nations employing the euro as the national currency). Prior to the Irish "no" vote on the Lisbon Treaty, Juncker's name was championed as one of the leading candidates to serve as the European Union's first President (ref b). Even prior to the Lisbon Treaty's partial demise, Juncker never publicly endorsed his own potential candidacy, regularly stating that he was primarily focused on his own country. The possibility of Juncker's leaving Luxembourg for the EU's top job initially created anxiety within the CSV. As the Lisbon ratification process has stalled, speculation about Juncker's eventual ascension seems to have vanished, and his prospects for that job are now considered slim. The Prime Minister's ironclad grip on CSV leadership appears ensured and a succession fight appears delayed for another election cycle.

[1](#)3. Juncker is the uncontested champion of national politics, enjoying approval ratings of over 90%. He is one of the rare politicians from Luxembourg with international appeal. Juncker is considered a skilled and successful negotiator and an expert on EU financial issues. He is the first permanent President of the Eurogroup, having served three consecutive terms, even though Eurogroup members originally agreed that the post was renewable only once. Juncker may be tiring of the position, though, in part due to challenges to his leadership. French President Sarkozy has repeatedly called for more individualized, national economic governance for Eurogroup members. Juncker has been involved in Luxembourg's national politics since 1982. He previously headed his country's Ministries of Labor and Budget.

[1](#)4. Luc Frieden: Frieden, 46, is Luxembourg's Minister of Justice and Minister of Treasury and Budget. He is widely perceived as Juncker's right-hand man and heir to the CSV leadership (and likely Prime Ministership). Frieden lacks Juncker's charisma, but he is a respected technocrat who enjoys broad support within business circles, especially in

Luxembourg's all-important financial services sector. He enjoys high visibility and experience on the EU level, as a heavy dose of EU integration has fallen into his area of expertise, Justice and Home Affairs. Frieden managed his party's sensational victory in Luxembourg Central District's 2004 elections, previously considered a Democratic Party stronghold. Frieden continually jockeys with Foreign Minister Asselborn for the coveted second-most-popular-politician-in-Luxembourg title (Juncker is considered untouchable). The most recent polls, however, placed Frieden in third, a few percentage points behind Asselborn.

¶5. Francois Biltgen: Biltgen, 51, is the president of the CSV Party and holds the top spot of three Ministries: Employment; Culture, Higher Education and Research; and Religious Communities. Biltgen strongly advocates for traditional social and moral views, garnering significant popularity. He represents the more conservative wing of the CSV. Biltgen was once seen as a potential successor to Juncker, but has taken a couple of staggering hits over the years. In 2001, he was diagnosed with cancer; his recovery forced him to reduce his political activities. In 2006, his popularity took a major blow when he introduced legislation calling for a halt to unemployment benefits for graduating students who did not immediately find work, precipitating major demonstrations in front of his Labor Ministry and many calls for his resignation. The legislation, however, eventually passed and entered into law.

¶6. Octavie Modert: Modert, 36, was the first woman and youngest person ever to become the government's

LUXEMBOURG 00000137 002 OF 004

secretary-general, and used this position to earn her place as one of Juncker's closest advisors. She currently holds the title of Secretary of State for Relations with Parliament, Agriculture-Viticulture, Rural Development-Culture, Higher Education and Research. Modert is widely believed to have a promising political career in front of her.

¶7. Viviane Reding: Reding is the current EU Commissioner for Information Society and Media. Juncker has already announced that Reding, 58, will remain in her position as Luxembourg's EU Commissioner, provided the CSV remains the senior coalition partner following elections. Reding enjoys high popularity in Luxembourg but is not considered a close friend or confidante of Juncker.

¶8. Claude Wiseler: Wiseler, 49, formerly served as the CSV's secretary-general and currently serves as Minister for Public Works and Civil Service. He participated in the U.S. International Visitor Program in 2003. His portfolio limits his public profile, but he is considered a rising star in the CSV.

¶9. Marie-Josée Jacobs: Jacobs, 59, is the Minister for Family, Integration, and Equal Opportunities. She is the most popular politician from the mostly-rural northern sector of Luxembourg. Heavily conservative, Jacobs is closely aligned with the politics of the Catholic Church. Jacobs's position in government appears secure for as long as the CSV remains in power.

¶10. Michel Wolter: Wolter previously served as Minister of the Interior and currently is head of the CSV parliamentary bloc. Wolter, now 46, was first elected to Parliament at age 21 - the youngest in Luxembourg's history - and was considered the CSV wunderkind. Close to Juncker, Wolter was once thought to be a possible successor. A poor showing in the 2004 elections, however, put an end to this speculation. Parliament's recent passage of controversial euthanasia legislation was a blow to his party credentials, as he led the CSV's opposition to the bill. Wolter has expressed interest in the position of President of Parliament, but

continues to be an underdog for the job.

¶11. Laurent Mosar: Mosar is the leader of the CSV opposition within Luxembourg City's DP-led government. He serves concurrently as Vice President of the Parliament and Chairman of Parliament's Financial Committee. Mosar, 51, had a strong showing in 2004 elections and was offered a position in the government. He instead chose to run for mayor of Luxembourg city, when the CSV lost to the Democratic Party.

¶12. Lucien Thiel: Thiel, 66, currently serves in the Parliament and was previously president of the Luxembourg Banks and Bankers Association. If Juncker were to cede his portfolio as Finance Minister, Thiel could find himself in the government, perhaps in a shared capacity with Minister Frieden for the Finance, Budget, and Treasury portfolios.

¶13. Jean-Louis Schiltz: Schiltz, 45, is Minister of Defense, Minister for Development Cooperation and Humanitarian Affairs and Minister of Communications. Schiltz joined the government to the surprise of many in 2004, as five higher vote getters were passed over. Schiltz is the nephew of the Roman Catholic Vicar General of Luxembourg. Schiltz has recently been seen as a politician on the rise and is a possible competitor to Frieden as Juncker rides off into the sunset. Critics claim that his management of the Cooperation Ministry is an empty and shallow resume-enhancer, with his work consisting simply of doling out money. He is similarly criticized for his work as Defense Minister, with many claiming that the long-awaited army reform his Ministry oversees is simply implementing the hard work of his predecessor, Luc Frieden.

THE SOCIALISTS (LSAP): LUXEMBOURG'S JUNIOR COALITION PARTNER

¶14. Jean Asselborn: Asselborn is Luxembourg's Deputy Prime Minister and the Minister for Foreign Affairs and Immigration. Asselborn, 60, led the Socialist Party's renaissance in 2004 after five years in opposition. While Asselborn is his country's top diplomat, he is not considered by many to be the most diplomatic. His lack of finesse and subtlety, however, is compensated for by his stated vision of traditional Luxembourgish values, including the future welfare of society and solving the basic problems of common people. Asselborn was previously mayor of the village of Steinfort (population of 5,000), succeeding to the position following his father's death. Asselborn is ambitious. Were his party to somehow score a major victory and assume the senior position of the next government, Asselborn would

LUXEMBOURG 00000137 003 OF 004

undoubtedly become Luxembourg's Prime Minister.

¶15. Jeannot Krecke: Krecke, 59, is the Minister of Economy and Foreign Trade and the Minister of Sport. Krecke represents the non-traditional wing of the Socialist Party, not linked to the trade union movement. His free-market views put him closer in line with those of Juncker's than his party's. Thus, Krecke does not enjoy the same support from the Socialists' historic stronghold in the industrial southern district of Luxembourg. While considered a bit of an outsider within his own party, Krecke manages his relationship with party stalwarts very well, massaging his relationship with leader Asselborn well enough to remain at the top of the LSAP leaderboard.

¶16. Nicolas Schmit: Schmit is the Delegate Foreign Minister for Foreign Affairs and Immigration. Schmit, 56, is a career diplomat who served previously as Luxembourg Permanent Representative to the United Nations. He developed a special relationship with Juncker while serving in Brussels at the European Union. Foreign Minister Asselborn's lack of foreign policy experience led Juncker to create Schmit's current portfolio preceding Luxembourg's turn as EU President in

¶2005. Schmit is the only member of government without an electoral mandate.

¶17. Mars Di Bartolomeo: Di Bartolomeo, 57, is Luxembourg's Minister of Health. Di Bartolomeo has been active in LSAP politics since the 1970s and does not possess a university degree. His popularity stems from his blunt and unconventional positions. In the 2004 elections, he received the greatest number of votes for any Socialist, even greater than Asselborn.

¶18. Lucien Lux: Lux is the Minister of Environment and Transport and began his political career by joining a trade union closely associated with the LSAP. Lux, 53, managed the LSAP's 2004 electoral campaign, thus earning a lot of the credit for the Socialists' re-entry into government. In his current capacity, Lux has spearheaded some unpopular reforms, such as raising the excise tax on fuel and increasing taxes on cars with high carbon dioxide emissions. This unpopularity makes Lux one of the few members of government whose position is possibly in jeopardy during these elections. Facing a possible electoral defeat, Lux has recently expressed interest in the directorship of the Luxembourg National Railway Company, where he worked at beginning of his career.

¶19. Alex Bodry: Bodry, 51, is the president of the LSAP and formerly served as Luxembourg's Minister of Defense and Minister of Environment, Energy, and Communications. Bodry is widely considered the Socialists' number-two leader behind Asselborn, often competing with Krecke for this status. Bodry chose not to join the government in 2004 to remain president of his party.

¶20. Lydia Mutsch: Mutsch, 40, is a member of Parliament and mayor of Luxembourg's second-largest city, Esch-sur-Alzette. She is the first female mayor of Esch and is considered an up-and-comer in the LSAP. Mutsch is lobbying hard for a position in government should her party remain a coalition partner.

THE DEMOCRATIC PARTY (DP) - #1 IN THE OPPOSITION

¶21. Claude Meisch: Meisch, 38, is the leader of the opposition DP and is also mayor of Luxembourg's third-largest city, Differdange. The DP staggered after losing five seats in the 2004 elections and Meisch has been charged with leading his party to a strong showing in these elections. The task is a tall order. Meisch is considered by many to be too young to compete against major heavyweights. The DP is also entering these elections without longtime party stalwarts and major vote getters Lydie Polfer, Charles Goerens, and Henri Grethen.

¶22. Xavier Bettel: Bettel, 37, is a member of Parliament and deputy mayor of Luxembourg City. Bettel is considered one of the DP's Young Turks. As a lawyer, Bettel was known for taking on difficult cases, mainly representing refugees and immigrant detainees. In Parliament, he has crafted a reputation of an "enfant terrible," frequently calling out Ministers with pointed parliamentary questions. Bettel's status as one of the DP's rising stars has been somewhat hindered by his outspokenness. Bettel is openly homosexual.

¶23. Paul Helminger: Helminger, 69, is the mayor of Luxembourg City. He is expected to retain his mayorship and draw some votes for the DP, but is not a major player in national politics.

LUXEMBOURG 00000137 004 OF 004

THE GREENS

¶24. Francois Bausch: Bausch, 53, is the Green Party's leading political figure. The Green Party won two seats in the 2004 elections, and the party was widely seen as on the rise. The Greens, however, were hit hard by the financial crisis which has stalled their ascent. Bausch has openly campaigned to be Luxembourg's first Green Foreign Minister - his party must win enough seats, however, to enter the coalition for that to happen.

¶25. Felix Braz: Braz, 43, is one of Luxembourg's first successful politicians of Portuguese descent, a demographic strongly represented in Luxembourg. Considered Bausch's right hand, Braz hopes to bring an additional seat or two to the Greens via his strong popularity in the country's southern district.

¶26. Manuel Huss: Huss is a co-founder of Luxembourg's Green Party. He is known for his strong opposition to the EU Constitutional Treaty of 2005, an effort that was put to a referendum and lost. Huss, 62, was co-author of the controversial euthanasia legislation recently passed over CSV opposition - considered a major political victory for Huss and the Greens.

COMMENT

¶27. We do not expect any major shakeup to the governing coalition on June 7. The CSV will almost undoubtedly remain the senior partner of a coalition with the Socialists. Juncker will remain as Prime Minister, extending his status as longest-tenured head of government in Europe. Some portfolios might be juggled, a few of the minor Cabinet ministries may change leaders, but, on the whole, the makeup of Luxembourg's next government does not look to change much from the status quo. Some commentators have allowed for the possibility of each of the opposition parties gaining one or two seats. If that happens, there is the slim possibility that the junior coalition partner could change. While mathematically feasible, an outcome where all of the opposition parties unite to form a coalition and oust the CSV from power, is highly unlikely.

WAGNER